



July 13, 2009

The Honorable Charles Terreni
Chief Clerk/Administrator
Public Service Commission of South Carolina
P.O. Drawer 11649
Columbia, South Carolina 29211

RE: Revised Schedule CSP-26
SCPSC Docket No. 1995-1192-E

Dear Mr. Terreni:

Carolina Power & Light Company, d/b/a Progress Energy Carolinas, Inc. ("PEC") encloses for approval by the Public Service Commission of South Carolina its revised Cogeneration and Small Power Producer Schedule CSP-26, which has been updated to reflect increases in the Energy and Capacity Credits that are paid to Qualifying Facilities (QFs), resulting from increases in PEC's avoided cost.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Len S. Anthony', written over a horizontal line.

Len S. Anthony
General Counsel
Progress Energy Carolinas, Inc.

cc: Mr. John Flitter

Enclosures

COGENERATION AND SMALL POWER PRODUCER
SCHEDULE CSP-26

AVAILABILITY

This Schedule is available for electrical energy and capacity supplied by Seller to Company if Seller is a Qualifying Facility as defined by the Federal Energy Regulatory Commission's (FERC) Order No. 70 under Docket No. RM79-54.

This Schedule is not available for electric services supplied by Company to Seller or for Seller with Contract Capacity greater than 5 MW. If Seller requires supplemental, standby or interruptible services, Seller shall enter into a separate service agreement with Company in accordance with Company's applicable electric rates, riders, and Service Regulations on file with and authorized by the state regulatory agency having jurisdiction.

This Schedule is not available for electrical Capacity and Energy supplied by Seller which enters the Company's transmission system.

APPLICABILITY

This Schedule is applicable to all electric energy and capacity supplied by Seller to Company at one point of delivery through Company's metering facilities.

CONTRACT CAPACITY

The Contract Capacity shall be the normal net maximum dependable capacity of the qualifying facility and shall not exceed the nameplate generating capacity.

MONTHLY RATE

Payment

For Qualifying Facilities classified as New Capacity in accordance with FERC Order No. 69 under Docket No. RM79-55, Company will pay Seller a monthly credit equal to the sum of the Energy and Capacity Credits reduced by both the Seller Charge and any applicable Interconnection Cost. For Qualifying Facilities classified as other than New Capacity in accordance with the above FERC Regulations, Company will pay Seller a monthly credit equal to the Energy Credit reduced by both the Seller Charge and any applicable Interconnection Cost. Payments to Qualifying Facilities with Contract Capacities of 10kW or less shall only be made on a calendar year basis.

Energy Credit

Company shall pay Seller a monthly Energy Credit for all energy delivered to Company's system as registered or computed from Company's metering facilities. The Energy Credit shall be:

5.680¢ per kWh for all On-Peak kWh
4.413¢ per kWh for all Off-Peak kWh

Capacity Credit

Company shall pay Seller a Capacity Credit based on the on-peak kWh supplied by Seller to Company's system as registered or computed from Company's metering facilities. The Capacity Credit shall be:

<u>Summer Months</u>	<u>Winter Months</u>
4.425¢/kWh	3.920¢/kWh

Summer months are defined as the calendar months of June through September. Winter months are defined as the calendar months of December through February.

Seller Charge

Seller shall pay to Company a Monthly Seller Charge outlined below in accordance with the Contract Capacity:

	<u>Contract Capacity</u>			
	<u>0 to 10 kW</u>	<u>11 to 100 kW</u>	<u>101 to 999 kW</u>	<u>1000 kW and above</u>
Monthly Seller Charge	\$4	\$7	\$93	\$ 278

The Energy and Capacity Credits and Seller Charge of this Schedule are subject to change as approved by the Public Service Commission of South Carolina.

DETERMINATION OF ON-PEAK AND OFF-PEAK HOURS

I. On-Peak Hours

- A. Power supplied beginning at 12:00 midnight March 31 and ending at 12:00 midnight September 30:

The on-peak hours are defined as the hours between 10:00 a.m. and 10:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

- B. Power supplied beginning at 12:00 midnight September 30 and ending at 12:00 midnight March 31:

The on-peak hours are defined as the hours between 6:00 a.m. and 1:00 p.m. plus 4:00 p.m. through 9:00 p.m., Monday through Friday, excluding holidays considered as off-peak.

II. Off-Peak Hours

The off-peak hours in any month are defined as all hours not specified above as on-peak hours. All hours for the following holidays will be considered as off-peak: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and the day after, and Christmas Day. When one of the above holidays falls on a Saturday, the Friday before the holiday will be considered off-peak; when the holiday falls on Sunday, the following Monday will be considered off-peak.

INTERCONNECTION COSTS

The installed costs for all facilities constructed or installed by Company to interconnect and safely operate in parallel with Seller's equipment shall be determined in accordance with Company's Terms and Conditions For The Purchase of Electric Power.

Supersedes Schedule CSP-24

Effective: _____

SCPSC Docket No. 95-1192-E, Order No. _____